



Mercer Crossing – Dallas, TX



Factory at Garco – North Charleston, SC



Pointe at Lenox Park – Atlanta, GA

Investor Presentation

August 2018



Safe Harbor

Certain information contained in this presentation, together with other statements and information publicly disseminated by BRT Apartments Corp. (the “Company”), constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended. These statements involve assumptions and forecasts that are based upon our current assessments of certain trends, risks and uncertainties, which assumptions appear to be reasonable to us at the time they are made. We intend such forward-looking statements to be covered by the safe harbor provision for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and include this statement for the purpose of complying with these safe harbor provisions. Information regarding certain important factors that could

cause actual outcomes or other events to differ materially from any such forward-looking statements appear in the Company's Annual Report on Form 10-K for the year ended September 30, 2017 and the Quarterly Reports on Form 10-Q filed with the SEC thereafter, and in particular the sections of such document entitled “Item 1A. Risk Factors” and “Management's Discussion and Analysis of Financial Condition and Results of Operations”. You should not rely on forward- looking statements since they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond our control and which could materially affect actual results or performance referred to above. We undertake no obligation to publicly update or revise any forward-looking statements included in this presentation, whether as a result of new information, future events or otherwise.

Our fiscal year begins on October 1st and ends on September 30th. Except with respect to the timeline that appears on page 7 which is presented on a calendar year basis, all references to a year (e.g., 2017), refer to the applicable fiscal year ended September 30th.



BRT Apartments is an owner and operator of Class B value-add and select Class A multi-family assets primarily in superior Sun Belt locations. The Company uses its expert structuring capabilities to maximize return for its stockholders while mitigating risk.



Parkway Grande – *San Marcos, TX*



Vanguard Heights – *Creve Coeur, MO*



Verandas at Alamo Ranch – *San Antonio, TX*

Investments Highlights



Differentiated Strategy

- Focused on growth markets, targeting assets where we can create value using repositioning and renovation programs
- Extensive JV network mitigating risk and expanding our ability to grow into ideal markets
- Purchase price between \$20 million and \$100 million with an equity contribution of \$2 million and \$20 million



Stable Portfolio and Robust Pipeline

- Primarily acquire properties with 90+% occupancy
- Strong deal flow from existing network of partners and brokers



Proven Management with Close Alignment of Interests between Management and Stockholders

- Management and affiliates owns 38.4% of the Company's total equity
- Internalized Management
- Attractive annual dividend yield of 6.2%¹



Strong Growth Opportunity

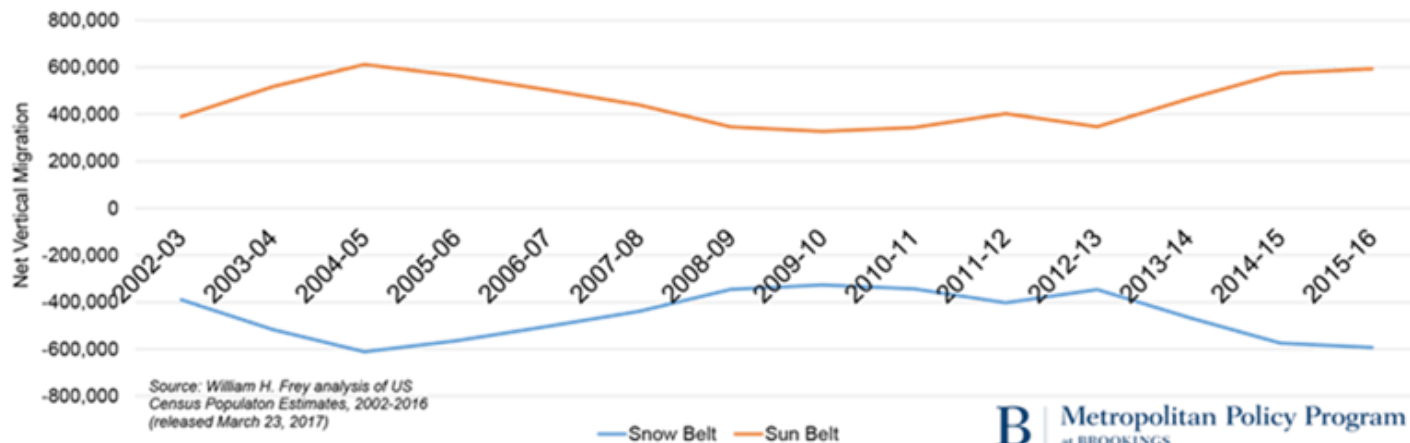
- Target assets in the Sun Belt in areas that have high job and population growth and relatively low cost of living

Capitalizing on Favorable Multi-family Trends



- Multi-family apartments have seen tremendous growth in recent years due to high demand, driven partially by millennial's preference to rent rather than to buy
- Buying opportunities in Sun Belt markets where cap rates are still attractive with positive net migration in the millennial age group moving into the area
- Middle class renters drive demand in our markets, who are more likely to rent Class B apartments
- We believe we can buy select Class A and Class B apartments that offer attractive yields and growth

Net Migration from Snow Belt to Sun Belt



Proven Senior Management Team

More than 30 Years experience in Multi-family



Jeffrey A. Gould,
President and CEO

President and CEO since 2002

Senior Vice President and Member of the Board of Directors of One Liberty Properties, Inc. (NYSE: OLP) since 1999

Vice President of Georgetown Partners, Inc., managing general partner of Gould Investors L.P. since 1996



Mitchell K. Gould,
Executive Vice President

Executive Vice President

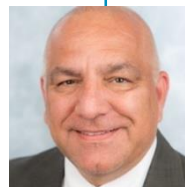
Acquisitions and Asset Management



Ryan W. Baltimore,
Vice President

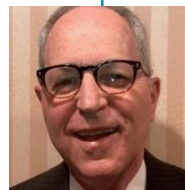
Vice President

Corporate Strategy and Portfolio Management



George E. Zweier,
Chief Financial Officer

Vice President and CFO



David W. Kalish,
Senior Vice President, Finance

Senior Vice President – Finance since 1990

Decades of Demonstrated Success in Multi-family



Pre-2012

- Engaged in lending on commercial and mixed use properties
- Significant involvement in multi-family apartments and other real estate assets



2014-2015

- Fully exited lending and servicing business and acquired 17 properties with 5,680 units
- Announced internalization of management



2017

- Acquired 7 assets, totaling 1,728 units
- Sold 7 properties with 1,580 units
- Announced dividend of \$0.18 per share

1983 – 2012

2012 – PRESENT



2012-2013

- Commenced multi-family investing strategy in 2012 and acquired 5 properties with 1,451 units
- In 2013, acquired 9 properties with 2,334 units



2016

- Acquired 11 assets, totaling 3,336 units
- Sold 6 properties with 2,206 units



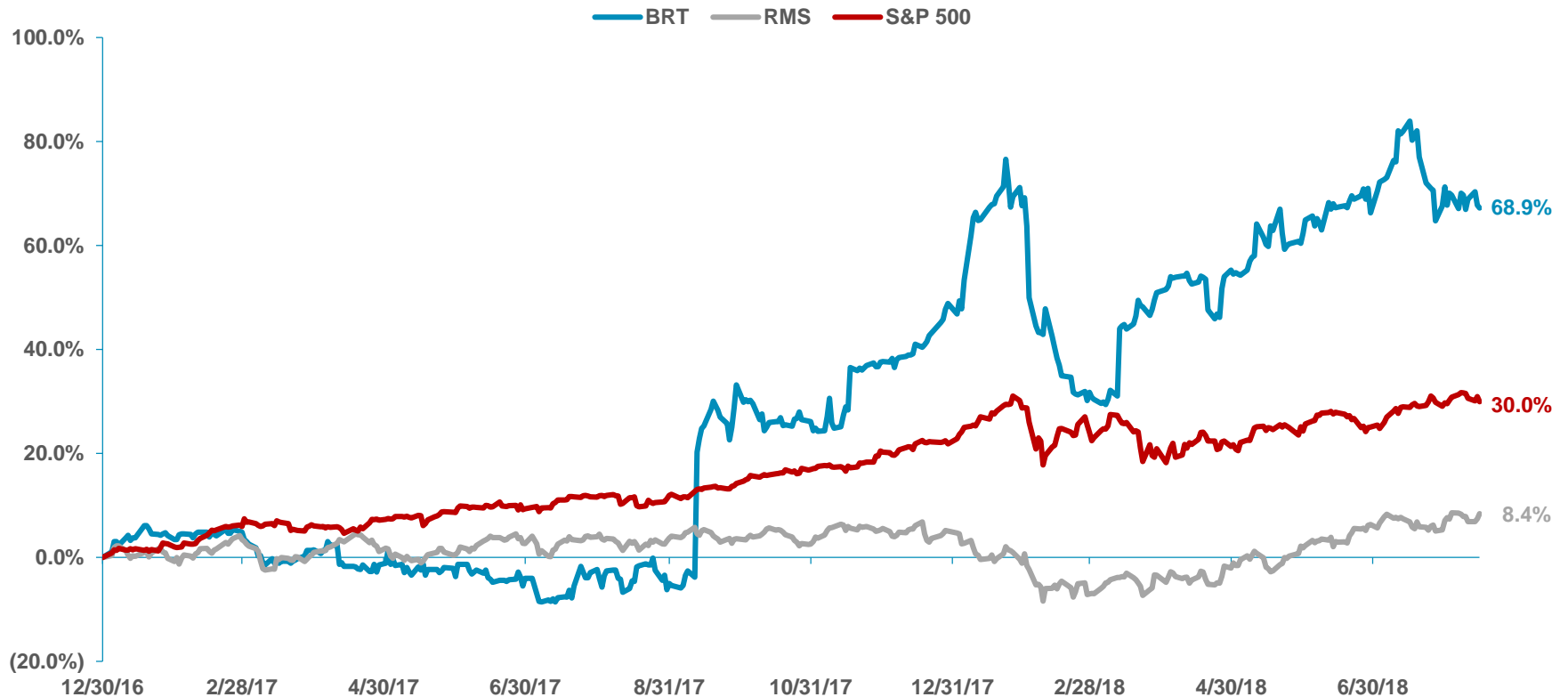
2018

- Acquired 4 assets, totaling 1,597 units
- Sold 2 properties with 1,160 units
- Increased dividend to \$0.20 per share

BRT's Total Return Since 2017



- Since December 30, 2016, BRT's total return has been 68.9%, outperforming both the S&P 500 and the MSCI U.S. REIT Index over the same time period by 38.9% and 60.5%, respectively



Differentiated Strategy Creating

Meaningful Value

Focus on Growth Markets

- Target assets with high NOI growth potential
- Create value through re-tenanting, repositioning, and value-add renovations to interior and exterior of property
- Growth through active property management
- High barriers to entry; minimal new development; less institutional competition

JV-Centric Strategy

- JV structure leverages local expertise of joint venture partner network
- Superior flexibility to grow or exit markets versus vertically-integrated REITs

Proven Access to Investment Opportunities

- Significant access to buying opportunities from strong JV partner network
- Broad network of third party management companies, brokers and partner relationships
- Flexible acquisition and funding profile; focus on one-off opportunities where major institutional buyers are not active
- BRT's niche is the less competitive, higher returning properties with purchase price up to \$100 million

Joint Venture Strategy

Creating Value through Strong Operating Partnerships



Strong Deal Flow

- Receive numerous opportunities from both existing partners and potential partners through a strong network built from the successful lending platform and equity partnerships in the past
- Have never advertised publicly but continue to see strong deal flow

Flexibility

- High “hit-rate” and efficiencies on deals as we only review deals when under contract
- Ability to enter and exit markets through a strong network
- Have the ability to choose best-in-class third party management companies for BRT’s wholly owned properties and where the partners do not have a vertically integrated platform

Value-Creation through Local Partners

- Local operators with expertise in specific markets provide value-added opportunities through extensive market knowledge
- Able to get “off-market” deals through the partners’ relationships with local brokers and owners

Acquisition Approach and Strategy

Harnessing Partner Network to Facilitate Capital Deployment



ACTIVE CAPITAL PARTNER

Actively involved in operations and asset management

Strong local partner expertise accelerates site selection and enhances diligence process

CONSERVATIVE UNDERWRITING

Efficient underwriting: management primarily considers deals already under contract by JV Partner, resulting in a high “hit rate”

Leverages relationship with JV partner to enhance quality of due diligence

Working with partner maximizes ability to hone in on best locations for investment

TYPICAL DEAL METRICS

\$2 million to \$20 million equity investment

Generally provide 65% to 80% of equity requirement, pari passu

60% – 70% LTV first mortgage financing

Targeted 6% to 8% cash-on-cash yield day one

Targeted 10% to 20% IRR

Willing to take preferred / senior equity position to enhance returns and mitigate risk

ILLUSTRATIVE VALUE ADD DEAL CAPITALIZATION

Before Value Add Program

JV Partner:
\$4mm

BRT: \$16mm

Debt: \$40mm

Equity
Breakdown
80% / 20%

\$60mm
Transaction
67% Leverage

After Value Add Program

JV Partner:
\$6mm

BRT: \$26mm

Debt: \$40mm





Equity
Breakdown
80% / 20%

\$72mm
Value
56% Leverage

Focus on Growth Markets

Strategically Concentrated in High Employment Markets



			
STATE	PROPERTIES ²	UNITS ²	% of NOI CONTRIBUTION ²
Texas ⁴	11	3,096	28%
Georgia	5	1,545	17%
Florida	4	1,248	13%
Mississippi	2	776	9%
Missouri	4	775	9%
South Carolina	3	683	7%
Alabama	2	412	3%
Indiana	1	400	2%
Tennessee	1	300	4%
Ohio	1	264	3%
Virginia	1	220	3%
Other ¹	-	-	2%
TOTAL	35	9,719	100%

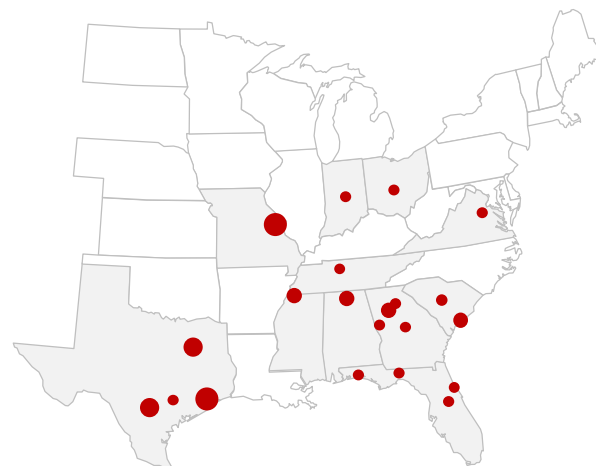
KEY PORTFOLIO FIGURES

Average Monthly Rental Rate² **\$964**

Average Property Age (Years)² **21.6**

Average Cost per Unit³ **\$120,823**

Geographically Diverse Portfolio



[1] Primarily reflects amounts from properties included in the Company's other assets segment related to a commercial leasehold position in Yonkers, NY

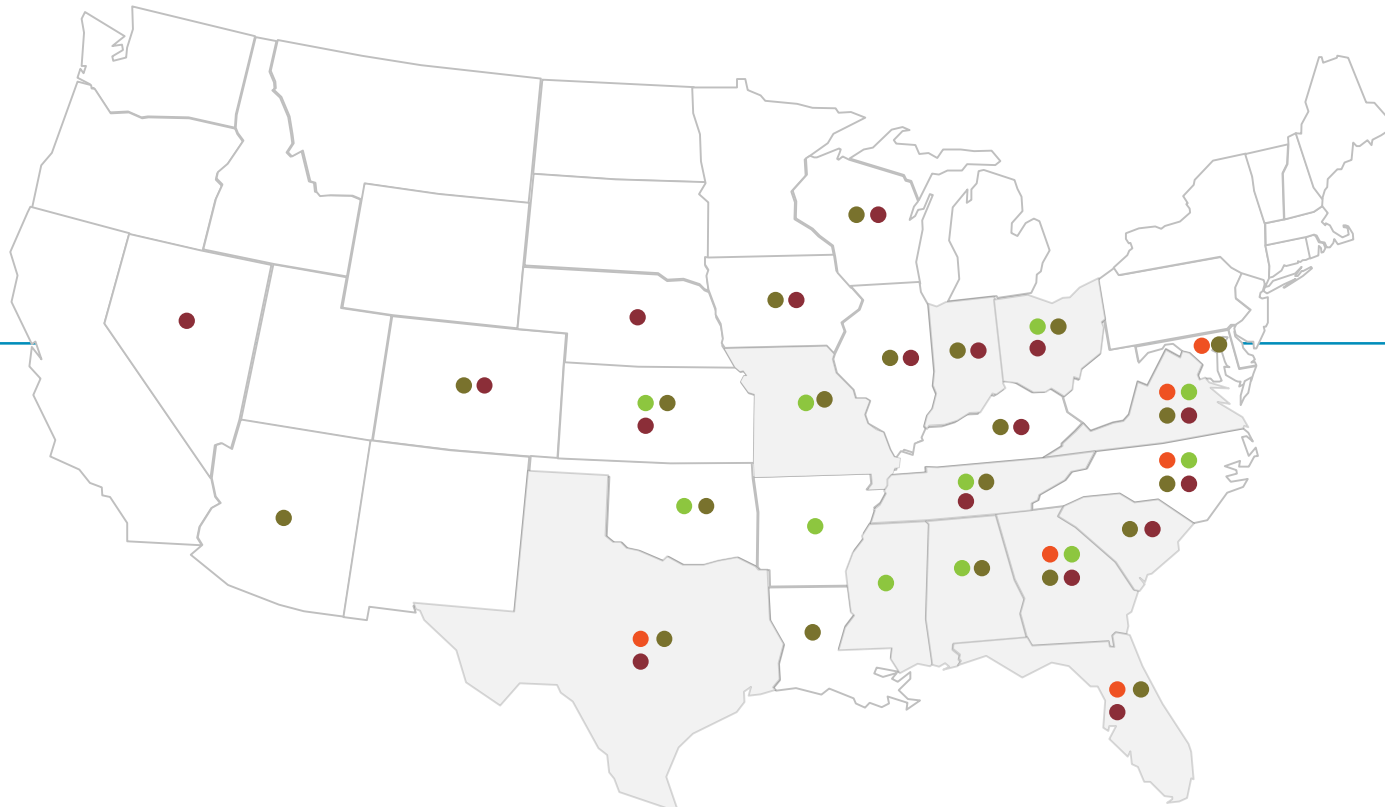
[2] As of the quarter ending June 30, 2018. Excludes 402 units under development in West Nashville, TN.

[3] Average cost reflects costs expended and estimated to be expended for renovations.

[4] Houston, Dallas, and San Antonio/Austin make up the Texas portfolio. Houston consists of 4 properties totaling 924 units and contributes 8% to NOI. Dallas consists of 3 properties totaling 1,284 units and contributes 11% to NOI. San Antonio/Austin consists of 4 properties totaling 888 units and contributes 9% to NOI.

Partnering with Private Owner/Operators

Strong partnerships with national operators who manage/own 100,000+ units



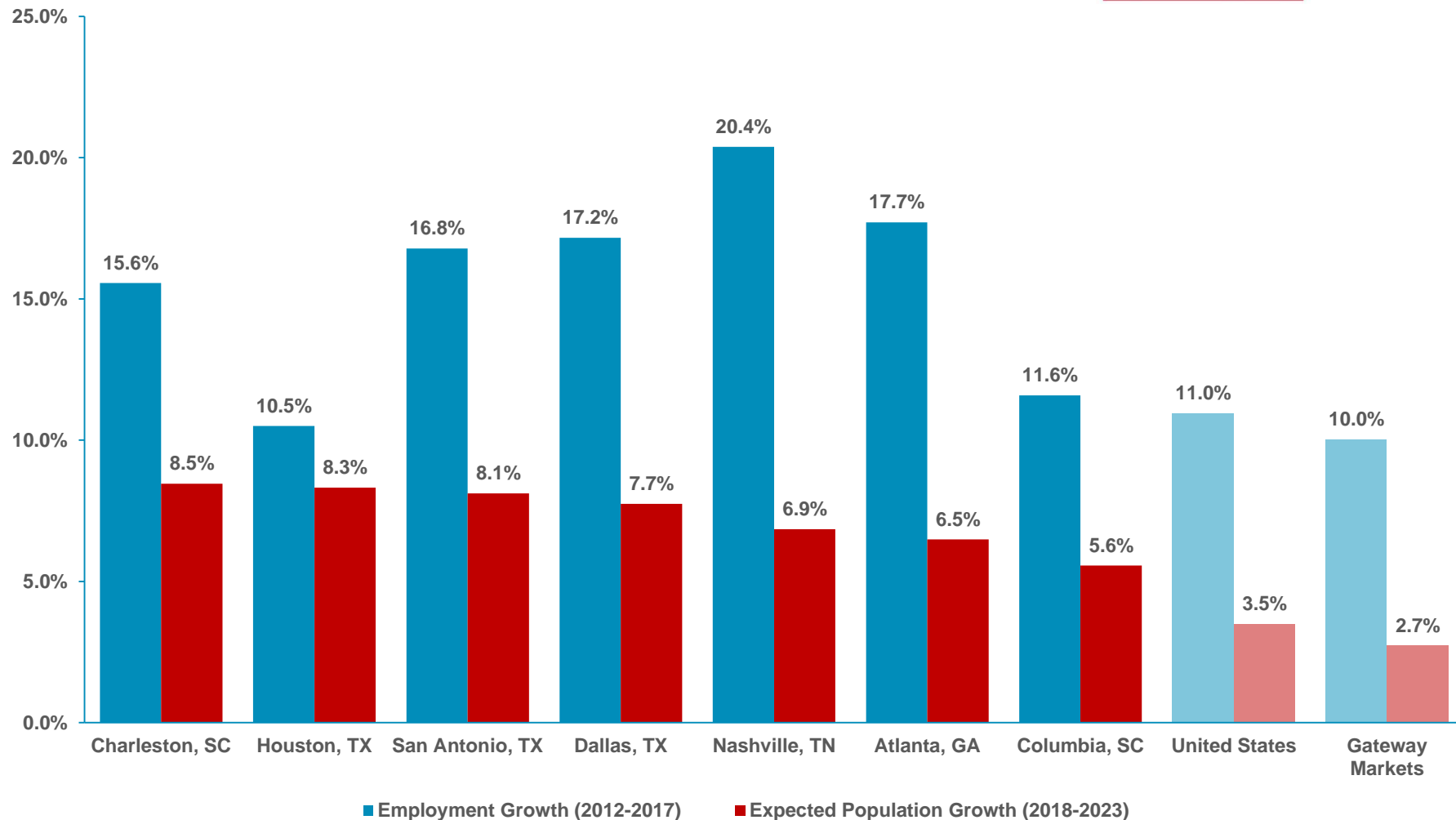
Somerset Partners



MANAGEMENT SERVICES, LLC



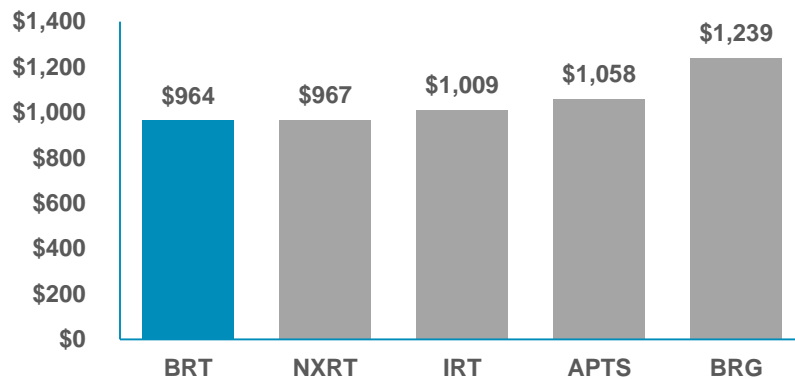
Job Growth and Population Growth by Market¹



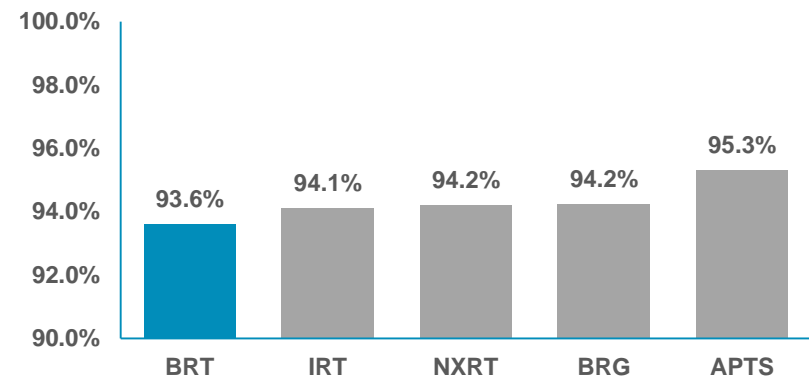
Upside in rents due to Strong Value-Add Program and Stable Occupancy



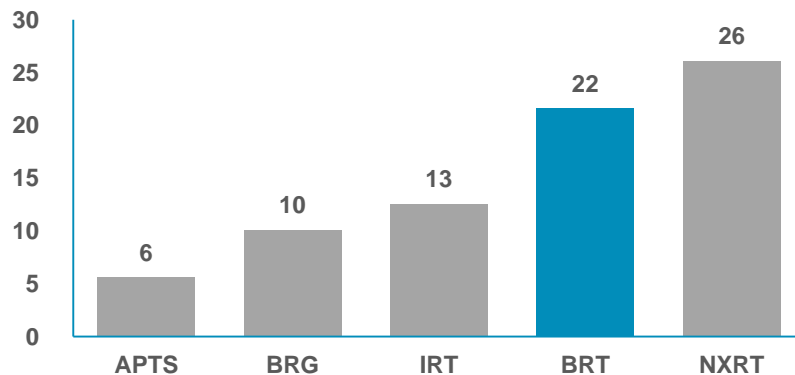
AVERAGE RENT PER UNIT¹



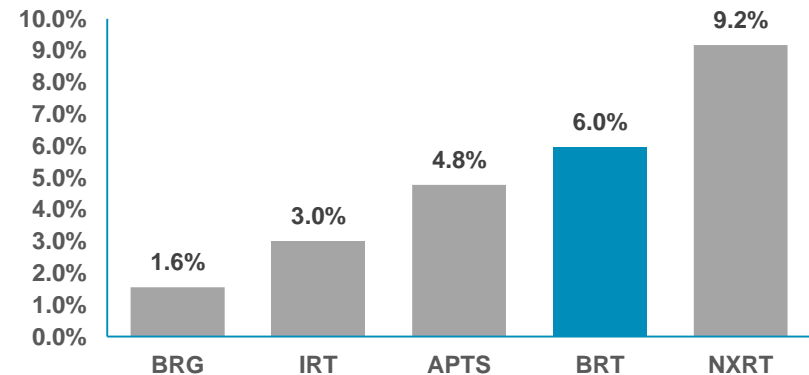
PORTFOLIO OCCUPANCY^{1/2}



AVERAGE AGE OF PROPERTY (YEARS)¹



AVERAGE SAME STORE NOI GROWTH LTM³



Source: Company filings, SNL

[1] As of the quarter ended June 30, 2018

[2] Average occupancy for BRT excludes properties that are not stabilized and Retreat at Cinco Ranch

[3] Twelve months ended June 30, 2018.

Recent Acquisitions



THE AVENUE



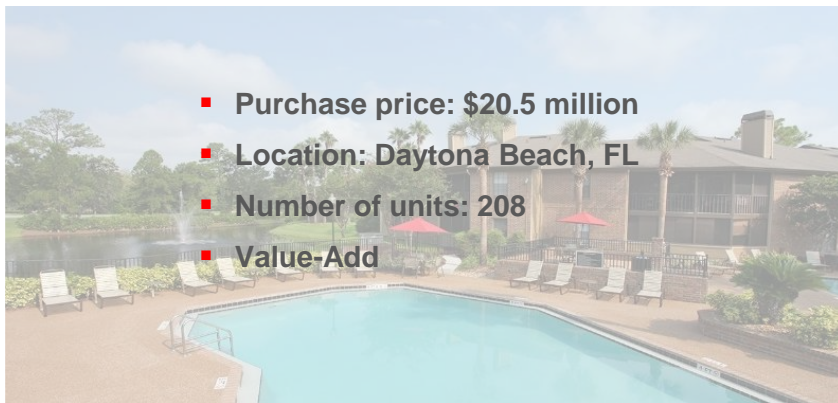
- Purchase price: \$71.3 million
- Location: Ocoee, FL
- Number of units: 522
- Value-Add

PARC AT 980



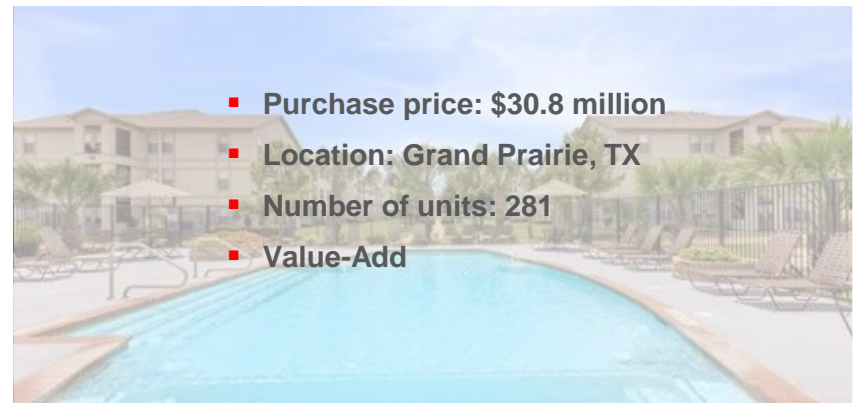
- Purchase price: \$77.3 million
- Location: Lawrenceville, GA
- Number of units: 586
- Value-Add

ANATOLE APARTMENTS



- Purchase price: \$20.5 million
- Location: Daytona Beach, FL
- Number of units: 208
- Value-Add

LANDINGS OF CARRIER PARKWAY









- Purchase price: \$30.8 million
- Location: Grand Prairie, TX
- Number of units: 281
- Value-Add

History of Value Creation



Dispositions

 DISPOSITION DATE	 PROPERTY NAME	 LOCATION	 # OF UNITS	 BRT SHARE OF GAIN ON SALE	 IRR¹
Feb-15	Water Vistas	Lawrenceville, GA	170	\$1.4mm	27.0%
Jul-15	Palms on Westheimer	Houston, TX	798	\$3.1mm	23.5% ²
Jul-15	Ivy Ridge	Marietta, GA	207	\$4.6mm	31.7%
Mar-16	Grove at Trinity Pointe	Cordova, TN	464	\$4.5mm	21.2%
Mar-16	Mountain Park Estates	Kennesaw, GA	450	\$6.3mm	26.0%
Apr-16	Courtney Station	Pooler, GA	300	\$4.3mm	13.0%
Jun-16	Madison at Schilling Farms	Collierville, TN	324	\$3.7mm	10.0%
Jun-16	Village Green	Little Rock, AK	172	\$0.4mm	10.0%
Sep-16	Sundance	Wichita, KS	496	\$5.4mm	32.0%
Oct-16	Southridge	Greenville, SC	350	\$9.2mm	27.0%
Oct-16	Spring Valley	Panama City, FL	160	\$3.9mm	37.0%
Nov-16	Sandtown Vista	Atlanta, GA	350	\$4.7mm	40.2%
Nov-16	Autumn Brook	Hixson, TN	156	\$0.5mm	-5.1%
Jul-17	Meadowbrook	Humble, TX	260	\$4.6mm	23.5% ²
Jul-17	Parkside	Humble, TX	160	\$2.8mm	23.5% ²
Jul-17	Ashwood Park	Pasadena, TX	144	\$1.7mm	23.5% ²
Oct-17	Waverly Place Apartments	Melbourne, FL	208	\$10.0mm	25.0% ³
Feb-18	Fountains	Palm Beach Gardens, FL	542	\$21.2mm	25.0% ³
Feb-18	Apartments at the Venue	Valley, AL	618	\$5.2mm	15.7%

TOTAL WEIGHTED AVERAGE

6,329

\$97.5mm

PAGE 17 Note: As of August 15, 2018 [1] Net IRR to BRT after promotes paid out to partners

[2] Represents IRR for portfolio of properties in a crossed joint venture

[3] Represents IRR for portfolio of properties in a crossed joint venture

Development Opportunities

Superior Locations with Limited New Supply



- Pursue Class A / A+ new construction in emerging Southeast US markets
- Willing to provide at least 50% of the required equity
- Garden style or mid-rise construction
- Targeting unlevered stabilized return of at least 7%

CURRENT DEVELOPMENT PROJECTS

**Canalside Sola, Columbia SC
(rendering)**



**Bells Bluff, Nashville, TN
(rendering)**



Location	Estimated Development Cost	Capital Drawn	Planned Units
Columbia, SC ¹	\$60,697,000	\$47,100,100	338
Nashville, TN	\$73,263,000	\$34,515,852	402

Development Case Study

Greenville, SC



PROPERTY DESCRIPTION	ACQUISITION DATA	DEVELOPMENT	RETURN ON INVESTMENT
<ul style="list-style-type: none">Brand new construction in downtown Greenville market360 unit mid-rise mixed use apartment complexBuilt in 2016	<ul style="list-style-type: none">Purchased land for \$7mm in January 2014Development budget of \$51.5mm, or \$143,000 per unit	<ul style="list-style-type: none">Development was completed on time and budgetProperty was sold at the end of lease-upOversaturation of Greenville market at time of sale. Provided opportunity to recycle capital effectively.	<ul style="list-style-type: none">Property sold in October 2016 for \$68mm or \$188,888 per unitNet IRR of 27% to BRT



Value-Add Case Study: Houston Portfolio

Houston, TX



PROPERTY DESCRIPTION	ACQUISITION/DISPOSITION DATA	VALUE ADD UPGRADES
<ul style="list-style-type: none"> 3 class B multi-family properties located in Humble, TX and Pasadena, TX Built in 1982,1983,1984 564 units 	<ul style="list-style-type: none"> Purchased for \$22.66mm, or \$40,177, per unit, in October 2013 Blended acquisition cap rate of 6.44% (based on year 1 projection and total cost) Capex budget of \$1.2mm, or \$2,100 per unit Sold in July 2017 for \$39.05mm, or 69,238 per unit 	<ul style="list-style-type: none"> Upgraded interior units with new refrigerators, range/ovens, and dishwashers as well as new flooring in select units Upgraded a majority of the units while providing upside to the next buyer with future renovations plans

VALUE ADD PROGRAM RETURN ON INVESTMENT

Before Renovation



After Renovation

Property	Average Cost Per Unit	Average Monthly Rent Increase	ROI	NOI CAGR over Hold Period
Ashwood	\$2,638	\$83	38%	18%
Meadowbrook	\$2,593	\$96	45%	13%
Parkside	\$2,886	\$86	36%	16%

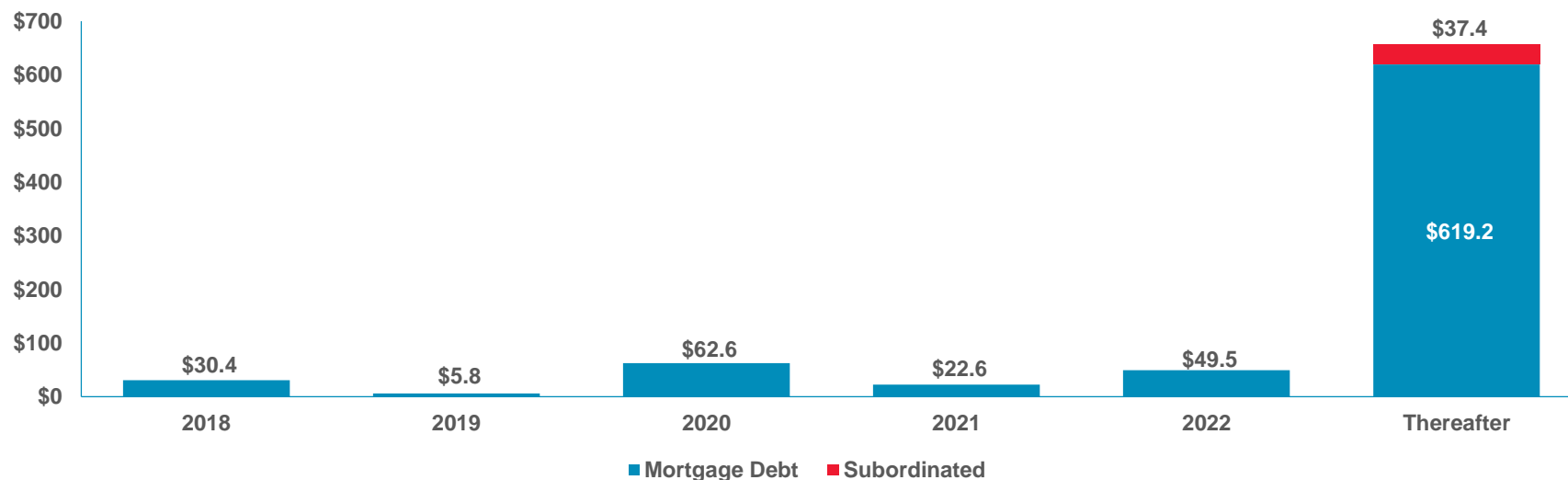
Well Laddered Debt Maturities



- Weighted average rate on property debt is 4.15% with a weighted averaged remaining term to maturity of 7.2 years¹
- Attractive corporate level subordinated notes bear interest at the rate of 3M LIBOR + 200bps and mature on April 30, 2036. The rate was 4.36% on June 30, 2018

TOTAL PRINCIPAL PAYMENT SCHEDULE²

USD in millions



Note: All data as of the quarter ended June 30, 2018

[1] Weighted by outstanding mortgage balance

[2] Subsequent to June 30, 2018, \$29 million of debt maturing in 2018 was extended to July 2019. Accordingly, \$1.4 million remains to be paid as principal in 2018.

Differentiated Strategy

Strong Growth Opportunity

**Stable Portfolio and
Robust Pipeline**

**Proven Management
with Close Alignment of Interests**